

# LICENSED LENDER APPLICATION INSTRUCTIONS

All applications submitted to this office **MUST** be complete and **include all fees, documents and attachments**. A preliminary review for correct fees will occur. Any incomplete application will not be accepted for processing and will be returned in its entirety. The normal processing time is 90 days, Therefore, all applications should be submitted well in advance of any date you intend to commence business.

## ALL APPLICANTS

1. Indicate the authority(ies) for which this principal office application is being submitted in the box provided.
2. Answer all questions. If a question is not applicable to you or if the answer is none, type or print N/A or NONE. Any questions with a "yes" response requires a detailed explanation. Failure to provide adequate information will cause the application to be returned to you.
3. Insert on line #1, the complete name of the entity exactly as it appears in your incorporation/formation papers as filed with the Commercial Recording Section, Dept. of Treasury. If a sole proprietorship or partnership, the person's name or the name of the partnership.
4. Application must be properly notarized, signed and dated by: (1) corporate president and secretary if a corporation; (2) managing member and witness if a limited liability company; (3) member of the partnership and a witness if a partnership; or (4) the sole proprietor and a witness if a sole proprietorship, in the spaces provided for attestation. Corporate seal or a facsimile of same must be affixed in the case of a corporate applicant. Signatures must be witnessed by a notary public or attorney.

## ATTACHMENTS

### REGISTRATION DOCUMENTS

You must submit a copy of **your Certificate of Incorporation/Formation** bearing the dated filing stamp of the Treasurer of the State of New Jersey. Foreign (out-of-state) entities must attach a copy of the Certificate of Authority to do Business in New Jersey bearing the dated filing stamp of the Treasurer of the State of New Jersey. Partnerships or sole proprietorships utilizing a trade name must attach a copy of the **Trade Name Certificate** bearing the dated filing stamp of the County Clerk's office of the county in which their business is to be located.

You must submit a copy of the "Alternate Name Certificate" bearing the dated filing stamp of the Treasurer of the State of New Jersey if the entity uses a "doing business as/alternate name". If such name is used, it must be included on the line provided for D/B/A or Trade Name.

### AUDITED FINANCIAL STATEMENT

Applicants for **SALES FINANCE** authority only need to provide a financial statement prepared by a C.P.A. or P.A. You must submit an unqualified, audited financial statement prepared by a Certified Public Accountant or a Public Accountant. The statement must demonstrate that the entity applying has a minimum net worth to satisfy the statutory requirements for the authority or authorities sought: (1) \$100,000 for consumer loan; (2) \$150,000 for secondary mortgage loan; (3) **\$50,000** (tangible net worth) for a mortgage broker; (4) **\$150,000** (tangible net worth) for a correspondent mortgage banker; (5) **\$250,000** (tangible net worth) for a mortgage banker. Applicants for consumer loan authority must also demonstrate a minimum in liquid assets of **\$100,000**. Applicants for a secondary mortgage authority must also demonstrate a minimum in liquid assets of **\$150,000**.

### SURETY BOND/LETTER OF INTENT

You must submit a perfected surety bond in the minimum amount of \$100,000 for a single authority as a mortgage banker or mortgage broker or correspondent mortgage banker or secondary mortgage lender. You must submit a perfect surety bond in the minimum amount of \$150,000 for two authorities(either a mortgage banker, mortgage broker, correspondent mortgage banker and a secondary mortgage lender). The bond **MUST** reflect the NJ premises to be licensed. **BLANK BOND FORM ENCLOSED**. An applicant may file a completed application with a "Letter of Intent" issued by the surety provider instead of the completed bond. This letter states that the applicant has met all the criteria required and the surety company will issue the bond upon direction. This letter permits an individual to be eligible to take the written exam.

However, the actual surety bond must be filed prior to any license issuance. **Note: There is no surety bond required for consumer lender or sales finance authorities.**

### **CERTIFIED CONSENT FORMS**

Attach completed certified consent certificates for all officers, directors, substantial stockholders (10% or more), partners or owners.

### **RECORD RETENTION**

Complete the OUT-OF-STATE AGREEMENT if the address listed in question #4 is not a New Jersey location. Otherwise, complete the IN-STATE AGREEMENT.

## **IMPORTANT INFORMATION**

**INDIVIDUAL LICENSED LENDER:** If the entity is applying for either mortgage banker, correspondent mortgage banker, mortgage broker and/or secondary mortgage lender authority and the legal structure of the entity is anything other than a sole proprietorship, an individual licensee is required in conjunction with the entity license. The individual application included as part of the application packet **MUST** be filed if the person is unlicensed. The “Employer Certification” section of the individual application should be completed by the owner of the company if that person is other than the individual applicant.

The individual to be licensed will be required to take and successfully pass a written examination(s) administered by the Department for the authority(ies) requested. Examination scheduling information will be sent to individual applicants only after the filing of a completed application. If the person has an active license for the current biennial period, attach the actual wall license to the individual application. If the individual is in inactive status, a reactivation application should accompany the entity application.

### **TESTING**

Scheduling and preparation materials will be sent to individual applicants only after the completed application has been accepted for processing. Scheduling is on a date received basis and has no connection with any private preparation courses.

### **LICENSED PREMISES**

Provide a copy of the deed, lease, OR rental agreement for the location to be licensed. A letter of intent to occupy the premises may be provided with the actual deed, lease or rental agreement to be submitted within sixty days of receipt of the application. Please note that the **use of an “Executive Suite”** is **not** considered a suitable office location.

### **BRANCH OFFICES**

To license additional locations, whether in-state or out-of-state, you must file a separate branch office application(s). The branch application is not part of this application packet. It must be requested separately. Please note that the **use of an “Executive Suite”** is not considered a suitable office location.

**Note application fees are non-refundable and are in addition to the License fee.**

**FEE SCHEDULE**

**Licenses are issued for a prescribed biennial period beginning on July 1 of an odd year through June 30 of the next odd year (ie 7/01/03-6/30/05). All licenses expire as of June 30.**

If you apply anytime during the first 12 months of the 2-year licensing period, you pay the full \$1,400 2-year license fee per authority. If you apply anytime during the second 12 months of the licensing period, the license fee is prorated down to a 1-year fee of \$700 per authority. The non-refundable application fee applies to both the entity application and the individual application and is not prorated.

**CHECKLIST TO COMPUTE FEES OWED**

- 1. Read explanation of fee schedule in above box to determine if you are filing this application during the first 12 months or the second 12 months of the 2-year license period.**
- 2. Count the number of authorities keeping in mind that if you are applying for any of the first mortgage authorities or second mortgage authority, you are required to pay fees for both the entity and the individual if the legal structure of your company is anything other than a sole proprietorship.**
- 3. Multiply the total number of authorities by the applicable license fee.**
- 4. Add the non-refundable application fee for each application submitted.**

**FEES**

APPLICANT	1 <sup>st</sup> 12 MONTHS	2 <sup>nd</sup> 12 MONTHS	APPL FEE (Non-Refundable)
Corporation, Limited Liability Co, Partnership, Sole Proprietor, Other Entities	<b>\$1,400.00 (per authority)</b>	<b>\$700.00 (per authority)</b>	<b>\$300.00</b>
Affiliated Individual	<b>\$1,400.00 (per authority)</b>	<b>\$700.00 (per authority)</b>	<b>\$300.00</b>
Branch Office	<b>\$1,400.00 (per authority)</b>	<b>\$700.00 (per authority)</b>	<b>\$200.00</b>

Return application by regular mail to: Department of Banking & Insurance  
Licensing Services Bureau  
P.O. Box 473  
Trenton, NJ 08625

If using an express mail service send to: Department of Banking & Insurance  
Licensing Services  
20 W. State St. – 8<sup>th</sup> Floor  
Trenton, NJ 08608